

CITY OF CONCORD

NEW HAMPSHIRE

Community Development Department

Business Development Division

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ECONOMIC DEVELOPMENT ADVISORY COUNCIL

Minutes June 13, 2008 7:30 A.M.

The meeting convened at 7:30 A.M. in a conference room at Concord Litho, 92 Old Turnpike Road, Concord. Coffee and nourishment was served compliments of Peter Cook.

PRESENT: Tim Bernier, Dr. Douglas Black, Chris Carley, Byron Champlin, Mark Coen, Peter

Cook, Larry Gloekler, John Hoyt, Bill Norton, Dan St. Hilaire, and Claudia Walker

ABSENT: Allen Bennett, David Feller, Jan McClure, and Stephen Heavener

STAFF: Kenneth G. Lurvey, CEcD, Business Development Coordinator

Carlos P. Baía, Deputy City Manager - Development

Matt Walsh, Assistant for Special Projects Bev Rafferty, Administrative Assistant

GUESTS: Mike Santa, Code Administrator

Mayor Jim Bouley

The agenda was revised as follows:

II. MINUTES OF THE MAY 2, 2008 MEETING

Bill Norton made a motion to accept the minutes as written; seconded by Tim Bernier; motion passed unanimously.

At this time, Ken Lurvey announced that he will be retiring from the City effective June 30, 2008, and this will be his last EDAC meeting. He noted that Carlos Baía will be putting the EDAC agenda package together. Ken will be returning to work in July but only for 24 hours a week and working on specific projects like the airport, the downtown RSA 79-E applications for redevelopment, business expansion/retention, and the creative economy although the Chamber of Commerce will be taking over most of that role.

Ken also announced that Policom had rated Concord # 3 in outstanding economic environment out of 577 communities in the country with a population of under 50,000. This was a slip from # 1 but still a good rating. Ken will get the report circulated.

III. REVISED ECONOMIC DEVELOPMENT ADVISORY COUNCIL ORDINANCE

Ken Lurvey informed EDAC that the revised Ordinance added a fifth City Councilor (Jan McClure), added an additional At-Large member to be sure all people serving now will still have a position on EDAC; the Deputy City Manager-Development will be the Clerk of EDAC, and added the Executive Director of the Concord Housing Authority (John Hoyt) as an ex-officio member. As this was John's first meeting with EDAC, he was welcomed to the table.

I. WELCOME

Peter Cook, CEO of Concord Litho, welcomed EDAC and noted he was pleased to host them for their meeting today. He noted the Concord Litho had been in its current location for 50 years. Concord Litho is a commercial printing company and has done printing jobs for companies such as Dunkin' Donuts and TDBanknorth and they also provide direct mailing services for non-profits and large charities for their fundraising activities. Concord Litho employs approximately 200 people, the building is 200,000 sq. ft. and they do \$40M in sales annually. They are currently under construction renovating the pre-press area and making it an open concept work area and two new customer lounges are being added as they are open 24 hours a day and customers come in at any time.

Ken Lurvey noted that on the back page of the second section of the Concord Monitor this morning, there is a notice that Concord Litho is the recipient of the Chamber of Commerce's Pinnacle Award for Business of the Year. Congratulations!

Note: Agenda item IV was moved to later in the meeting as Mayor Bouley will be attending.

V. BUILDING PERMIT TRACKING REPORT

Mike Santa, Code Administrator, reviewed the report submitted with the agenda package regarding permit fees for commercial projects. Mike explained that Code Administration will use the International Code Council's (ICC) matrix as a way of checking square footage costs for permit applications but it cannot be used for all construction as it does not allow for alterations and fit-ups.

Mike continued that Code will also get copies of contractual agreements between owners and contractors as to the cost of the construction. Bill Norton inquired if this is a confidential agreement and the city obtains copies, does it not then become public information? Mike Santa noted there has not been much resistance thus far but if there is, they would just use the International Code. Ken Lurvey noted if contractors do not like what the ICC comes up with for a number, then it is up to the contractors to prove their costs.

Mike Santa further explained that Code will enter into the tracker software a better explanation and description of projects to provide more information on the construction to be done. Ken Lurvey noted that the tracking software has been updated more each year so this is a good source of understanding of what is happening with building permits.

VI. CREATIVE ECONOMY

Enclosed with this month's EDAC package was a copy of the draft Concord Creative Economy Plan prepared by Craig Dreeszen. Byron Champlin noted the process is moving right along and the report enclosed in the package is somewhat dated. On June 24th at the Concord Community Music School there will be an open forum to discuss the report and any changes that need to be made in order to prepare the final report to submit to the Mayor and City Council. It also has to be determined when that can be done. The task force is hoping to submit it for the July City Council meeting.

Byron noted that since the Retreat in April, they have been collecting data from other communities and integrating this into the report. The economic analysis is in on Merrimack County but it needs to be fine tuned to Concord.

At the May 15th presentation by Rebecca Blunt of the New England Foundation for the Arts the definition of creative economy was discussed; which job classifications are generally agreed upon in the U. S.; standard job classifications come from one take to another which are similar.

In New Hampshire the top 10 current cultural industries are:

- Newspaper publishers
- o Commercial lithographic printing
- o Printing machinery & equipment manufacturing
- Electronics stores
- Cable/program distribution
- Video tape/disc rental
- Jewelry stores
- o Radio stations
- o Periodical publishers
- Commercial flexographic printing

Concord Litho employees fall into some of these categories.

The top 10 cultural occupations in New Hampshire are:

- o Designers*
- o Librarians
- Advertising sales agents
- Visual artists*
- Library assistants, clerical
- o Writers/authors* (11th in U.S.)
- Public relations managers
- Architects*
- o Editors
- Photographers*
 - * Artist subset

Byron also noted there is a cultural concepts database that can be accessed. Some members of EDAC asked about specific jobs within their respective companies and could they be included in this creative economy criteria as cultural employees and it was determined they could. There are a lot of broader jobs in development that have a creative component to them.

There was further discussion on the ways to educate people about creative economy. Ken Lurvey noted the cultural concepts database is available to anyone on line. Discussion continued about using the upper floors on Main Street for artist studios. We need to figure out how to market Concord for its creative economy and once it's passed by City Council we have to find a way for us to let people know there are jobs here for artists and design companies.

VII. REQUEST FOR PROPOSALS FOR STATE OWNED LOUDON ROAD PROPERTY

Carlos Baía informed EDAC that the City had informed the State that the Gully Hill site seemed to be the best location for their fueling station but the State then asked the city to locate other private sites for the station. The City, its development partner and the State located 18 additional sites, some in Pembroke most in Concord. There was some brief discussion on why the State did not want to use the Gully Hill location. One member noted that contamination in that location could be a reason but Carlos informed EDAC the site had been remediated.

Staff believes this is all going to work out and the developer is working on zoning changes that will be coming soon.

Some members inquired about the new DOT building on Rte. 106 housing the fueling station but it was noted there is an aquifer there that starts on Loudon Road. A question of approvals was asked but it was noted that the State is not required to get approvals.

VIII. RSA 79-E "COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE" APPLICATIONS

Ken Lurvey reminded EDAC of the revised map including downtown Penacook that was approved by City Council. They did not include the residential district and EDAC did not recommend that either. The expansion was more to the edge of downtown. Therefore, the approved map is the same as originally adopted for downtown Concord.

Ken had a meeting with developer Alan Johns recently regarding the Hoyt project. This project did qualify for the 79-E incentive.

Ken also stated he would send an application to other developers: Steve Duprey and Mark Ciborowski. Ken is sure we may have more bugs to smooth out. City Council has passed everything and there is a checklist of the city departments and State Historic Preservation Office that applicants would have to go through. The City and City Council have final approval of the applications.

Chairperson Carley inquired if the changes suggested by EDAC and other city staff were made to the application and Ken Lurvey noted they had been made. The final application will soon be distributed.

IX. CITY MASTER PLAN UPDATE

There was lengthy discussion on this item. Roger Hawk's report on the "Transfer of Development Rights" (TDR) had been included in this month's EDAC packet and Bill Norton noted it appeared only one book was used as the primary source of information. There is not enough balance for density inside the Urban Growth Boundary (UGB). More explanation on what Roger Hawk picked up would be helpful.

Chris Carley inquired if the TDR is going to work; can we make it work? Bill Norton feels we need a broader picture. The city is not going to get the increased density unless Code allows more variances.

Carlos Baía noted there is going to be a public hearing on July 23, 2008. Tim Bernier noted that the housing commission that was formed on this has a general sense the Planning Board feels this may not work. The Commission suspects there may be no incentive to use it. There is no place inside the UGB to increase density and no place outside it as there is no development opportunity there. Functionally, this is not going to work unless there is a factor to make the numbers make sense.

Claudia Walker felt this report was too global. Roger's report is not specific to Concord. She was emphatic that there needs to be a report specifically identifying properties in Concord within the UGB. The TDR was the only option to the Master Plan but what is the alternative to the TDR?

Chris Carley noted if we want to set aside part of the community as open space and reduce the inside of development, it could be done that way but it would require a different philosophical approach.

Lengthy discussion continued on this subject. How do we increase density when we can't meet the fraction of density allowed now? Why have we not tried to inventory inside the UGB to see how to make this work? We need an inventory to see how this is going to work. Ken Lurvey suggested noting a receiving area and doing a mock model project to reach density and see if it could work.

Byron Champlin noted that if we are going to make this part of the policy, we need a public education and some members felt we did not want that. Discussion was had on reeducating the public, the energy crises, what type of life style is this going to create.

There will be more discussion on this at a future EDAC meeting as due to the time, Chairperson Carley wanted to move on to item IV as noted below.

VI. REGULATION SUBCOMMITTEE DISCUSSION

Chairperson Carley welcomed Mayor Jim Bouley to the meeting. Chairperson Carley explained that the sub-committee met to discuss the regulatory process in Concord. The sub-committee had met twice and had gone over several projects they thought had been unnecessarily burdened by the regulatory process and what some of the problems were. He specifically named: Hoyt Electric Condos, the NH Political Library, the NH Community Loan Fund and the Parmenter Street housing development.

Chris Carley explained some of the expenses these projects had incurred in the costs of added time to the repeated reviews with the city. He noted the reviews needed by Fire, then Engineering, then Planning. Also noted was the "late hits" by staff; requirements introduced late in the process. A specific project mentioned was the Parmenter Road project. The development was approved but then the developer was denied the access road; why was that done that way? Chris continued that the committee had noted a lack of cost/benefit to the regulatory requirements. He gave examples of projects and he explained what some projects did and the problems they faced. One example was the NH Community Loan Fund; they had to receive 7 variances and one of them came out at the last minute and all because of the way these regulations are constructed. Workforce housing is also affected here.

He continued that the complexity of the zoning ordinance is a major source of the problem. He noted that one solution might be to transfer the zoning provision to the site plan regulations and rewrite the ordinance to be performance and outcome oriented rather than prescriptive.

Chris Carley continued that we should search out examples of good projects that were burdened and the bad results that came through the process in spite of the regulations. He suggested looking for prototype cities/ordinances for ordinances that we envision; and doing a major overhaul of the regulatory process and ordinance in follow-up to the Master Plan.

Chris Carley asked for the support of the Mayor and City Council in this process.

Mayor Bouley told EDAC he had sat for ten years and listened to people complain about the studies and changes and the great list of problems. He would like EDAC to come back to City Council with specific recommendations to correct these problems. The Mayor also noted that he is drafting an ordinance for a Redevelopment Authority and hopes to have something ready by late Summer.

Peter Cook gave a brief explanation of the efforts Concord Litho went through to get a lot line adjustment to be approved.

Discussion ensued that the city might create a triage staff; someone in the city who knows the regulations but is still doing the work. Carlos Baía noted he is currently working with staff regarding the repeated reviews; working to identify problems and having all departments report their comments in one document at the same time. He noted the late hits are still a struggle. They are very frustrating but some of that challenge is due to State laws.

Further discussion on design costs, legal issues, and administrative costs continued. Tim Bernier noted it's not the design costs but administrative costs responding to city staff's comments that increase the project. Administrative costs can often exceed design costs because of this.

Mayor Bouley felt EDAC had a good start on the problem. He asked that EDAC give City Council the solution. Members noted that some regulations had not been rewritten in a long time.

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Chairperson Carley noted that EDAC would work on these changes and get back to City Council with revisions to regulations/ordinances. It was noted that \$20,000 was budgeted in FY '08 for regulation amendments and another \$20,000 in FY '09. EDAC will start the process, working it through staff and the various boards and we can go forward.

Mayor Bouley noted his appreciation for the time EDAC and its sub-committee had spent on this. He continued there are so many issues to deal with so anything EDAC can give City Council is helpful.

Chairperson Carley will schedule another meeting of the sub-committee and contact them through e-mail. Dan St. Hilaire and Carlos Baía would like to be added to the sub-committee membership. The current members include: Tim Bernier, David Feller, Byron Champlin, Bill Norton, Claudia Walker, Chris Carley, and Jan McClure.

VIII. HOW'S THE ECONOMY DOING?

Due to the lateness of the hour, this item was not discussed at today's meeting.

IX. OTHER BUSINESS

There was no other business brought before EDAC.

X. ADJOURNMENT

There being no further business and upon a motion duly made and seconded, the meeting adjourned at 9:25 A.M.

Respectfully Submitted,

Beverly A. Rafferty Administrative Assistant